



**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

NEW YORK REGIONAL OFFICE
BROOKFIELD PLACE, 200 VESEY STREET, SUITE 400
NEW YORK, NY 10281-1022

DIVISION OF ENFORCEMENT

PAUL G. GIZZI
SENIOR TRIAL COUNSEL
(212) 336-0077
gizzip@sec.gov

March 9, 2020

Via ECF

Hon. Kiyo A. Matsumoto
United States District Judge
Eastern District of New York
225 Cadman Plaza East, Room S905
Brooklyn, NY 11201

Re: *SEC v. Shkreli*, 15-cv-7175 (KAM) (E.D.N.Y.)

Dear Judge Matsumoto:

Plaintiff Securities and Exchange Commission ("Commission") and defendants Martin Shkreli, Evan Greebel, MSMB Capital Management LLC ("MSMB Adviser"), and MSMB Healthcare Management LLC ("MSMB Healthcare Adviser") respectfully submit this status report pursuant to the Court's February 10, 2020 Scheduling Order.

Status as to Shkreli, MSMB Adviser, and MSMB Healthcare Adviser

The Commission has continued to engage in good faith discussions with counsel for Shkreli, MSMB Adviser, and MSMB Healthcare Adviser concerning a potential consensual resolution of all of the claims in this action, without the need for litigation, in light of the resolution of the criminal charges in *United States v. Shkreli*, 15-cr-637 (KAM) (E.D.N.Y.). These defendants and the Commission continue in good faith to discuss certain terms of a potential settlement. The Commission and counsel for these defendants propose a further status report in 30 days as to the updated status of those discussions, or sooner if the parties reach agreement in principal on terms that the Commission staff is willing to recommend to the Commission for authorization.

Status as to Greebel

The Commission has similarly continued to engage in good faith discussions with counsel for Greebel concerning the potential consensual resolution of the claims in this action. Greebel and the Commission continue to discuss certain terms for a potential settlement. The Commission and Greebel therefore also propose a further status report in 30 days as to the updated status of those discussions, or sooner if the parties reach agreement in principal on terms that the Commission staff is willing to recommend to the Commission for authorization.

Respectfully submitted,

Paul G. Gizzi

Paul G. Gizzi
Senior Trial Counsel
Securities and Exchange Commission

Hon. Kiyo A. Matsumoto

March 9, 2020

Page | 2

Andrea Zellan

Andrea Zellan

Brafman & Associates, P.C.

Counsel for Shkreli, MSMB Adviser, and

MSMB Healthcare Adviser

Reed Brodsky

Reed Brodsky

Gibson, Dunn & Crutcher LLP

Counsel for Greebel